

BRYAN CAVE LEIGHTON PAISNER LLP

H. Mark Mersel, California Bar No. 130382

Olivia J. Scott, California Bar No. 329725

1920 Main Street, Suite 1000

Irvine, California 92614-7276

Telephone: (949) 223-7000

Facsimile: (949) 223-7100

E-Mail: mark.mersel@bclplaw.com

olivia.scott3@bclplaw.com

Attorneys for Creditor

UMB BANK, N.A., as successor by merger to

MARQUETTE TRANSPORTATION FINANCE, LLC

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA (SANTA ANA)

In re:

SYNRGO, INC.,

Debtor.

Chapter 11

Case No. 8:21-bk-11264-ES

**DECLARATION IN SUPPORT OF
EMERGENCY MOTION FOR
APPOINTMENT OF TRUSTEE**

Date:

Time:

Place: Courtroom 5A

411 West Fourth Street

Santa Ana, CA 92701

1 I, Douglas P. Wilson, declare as follows:

2 1. I am the Chairman and Chief Executive Officer of Douglas Wilson Companies
3 (“**DWC**”). The facts contained herein are true based upon my personal knowledge, and if called
4 upon as a witness in this case, I could and would testify competently to the truth thereof.

5 2. Attached hereto as **Exhibit 1** is a true and correct copy of my current Curriculum
6 Vitae. All of the information contained in the Curriculum Vitae is true and complete.

7 3. I have extensive experience, having acted as a trustee, receiver, and court-appointed
8 fiduciary in over 1000 matters over the past 31 years with a combined asset value of \$15 billion.
9 Specifically, I have been appointed as to preserve, protect, manage, operate, and oftentimes sell a
10 wide variety of distressed assets, including in relation with operating companies, SEC matters, Ponzi
11 schemes, residential developments, REITS, shopping centers, office buildings, condominium
12 complexes, apartment projects, hotels, country clubs, resorts and chain restaurants. I have been
13 appointed receiver in federal and state courts in various jurisdictions including but not limited to
14 Arizona, California, Colorado, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa,
15 Maryland, Massachusetts, Michigan, New Mexico, Nevada, Ohio, Oregon, South Carolina,
16 and Washington.

17 4. I have substantial experience that is particularly relevant to the matter pending before
18 this Court. I understand that creditor UMB Bank, N.A. (“**UMB**”) is seeking a trustee to preserve
19 and protect its interests in accounts and accounts receivable, including the proceeds thereof, as well
20 as the interests of all other creditors and the estate.

21 5. Having served as a trustee over numerous operating companies with accounts
22 receivable, I have a clear understanding of the role and responsibility of a trustee taking over control
23 of the type of assets at issue here.

24 6. DWC is a seasoned diversified real estate operating company that has extensive
25 firsthand experience in understanding complex transactions dealing with title companies, escrow
26 agents, closing statements, prorations, and the role of each party involved with a transaction.

27 7. In preparation of being appointed as the receiver for Synrgo, Inc. (“**Debtor**”) prior
28 to Debtor’s bankruptcy filing, I did extensive prep work, including reviewing the underlying

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IRVINE, CA 92614-7276

1 complaint and various supporting documents and have gained a thorough understanding of Debtor's
2 business, economic model, and unique structure.

3 8. DWC has significant in-house audit experience with factoring complex receivables
4 and how the process should operate. Preliminarily, we engaged an IT consultant to step in and gain
5 immediate control of the entire data network.

6 9. DWC also has a full accounting staff headed by two in-house CPAs.

7 10. My staff and I have extensive investigatory experience throughout the country
8 searching for, discovering, and capturing assets associated with fraud. As an example, DWC has
9 on-staff agents who were tasked by the Securities and Exchange Commission with uncovering and
10 securing assets scattered throughout the world involved in a \$1 billion Ponzi scheme.

11 11. My staff and I have substantial experience with collecting and liquidating accounts
12 receivables, forensic accounting, and overseeing complex financial operations. As a recent example,
13 I have just finalized a project involving the liquidation of a \$70mm revenue company that required
14 the liquidation of accounts receivables as its primary asset, as well as the use of factoring.

15 12. I have been appointed over the past twenty years as an off panel Chapter 11 trustee,
16 an examiner, liquidating agent, and exclusive listing agent.

17 13. I have a thorough understanding of working with the United States Trustee and all
18 of the protocols of working in the Bankruptcy Courts.

19 14. I have extensive experience working on complex assignments involving
20 multiple states.

21 15. I have a 25-year history of participating in the Bankruptcy Forum and am currently
22 an active member in the San Francisco, San Diego, Orange County, and Los Angeles Bankruptcy
23 Forums.

24 16. I am a member of the National Association of Federal Equity Receivers (NAFER)
25 and have prior experience on SEC matters and Ponzi schemes.

26 17. I have no conflicts or business dealings with any party to this action. Moreover, I
27 am not related to any judge of this Court by consanguinity or affinity within the third degree.

28 18. There has been no contract, agreement, arrangement ,or understanding between

1 UMB and myself and DWC as to:

2 (a) What the role of the trustee will be following a termination, without specific
3 court permission;

4 (b) Who the trustee will hire, or seek approval to hire, to perform
5 necessary services;

6 (c) How the trustee will administer the estate or how much the trustee will charge
7 for services or pay for services to appropriate or approved third parties hired to provide services;

8 (d) What capital expenditures will be made in connection with the company's
9 operations.

10 19. My fees are \$475 per hour, and the fees for Douglas Wilson Companies employees
11 vary from \$150 to \$365 per hour. Attached hereto as **Exhibit 2** is our current rate list. As trustee, it
12 is my practice to retain employees of my affiliated company, Douglas Wilson Companies, to assist
13 me in efficiently carrying out my trustee responsibilities. Douglas Wilson Companies personnel
14 possess a wide range of skill sets including but not limited to business administration, forensic
15 accounting, asset management, financial modeling, interim management, alternative use/market
16 analysis, and sales and marketing. If appointed as trustee to take possession, I anticipate that the
17 majority of time spent in administering the estate will be incurred by my staff and not by
18 me personally.

19 20. DWC and I are prepared to file a bond with the Court at the direction of the United
20 States Trustee.

21 21. As the trustee, I agree that I am an agent of the Court and not of any party to the
22 litigation, and as such, I will remain neutral and I will act for the benefit of all who may have an
23 interest in the assets.

24 I declare under penalty of perjury under the laws of the State of California that the
25 forgoing is true and correct and that this Declaration was executed this 20th day of May, 2021, at
26 San Diego, California.

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IRVINE, CA 92614-7276



DOUGLAS P. WILSON

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Exhibit 1



Douglas P. Wilson

CHAIRMAN & CHIEF EXECUTIVE OFFICER

Education:

B.A., University of Denver

Professional Affiliations:

Urban Land Institute (ULI),
Member UDMUC-Blue Council

National Association of Federal
Equity Receivers (NAFER)

California Receivers Forum, past
President

California Bankruptcy Forum,
past Board Member and Treasurer

Commercial Real Estate
Development Association
(NAIOP)

International Council of Shopping
Centers

Downtown San Diego Partnership

Lambda Alpha International

Civic Affiliations:

University Club Atop Symphony
Towers, Chair, Board of
Governors

San Diego Unified School District,
Member, Facilities Review Panel
for \$1.51 billion school bond

Sidney Kimmel Cancer Center,
Board of Directors

La Jolla Playhouse, past Board
Member

San Diego County Metropolitan
YMCA, past Board Member

Douglas Wilson Companies

Founder, Chairman and Chief Executive Officer

Mr. Douglas Wilson is chairman and chief executive officer of Douglas Wilson Companies (DWC). Mr. Wilson brings over 35 years of experience in workout, problem resolution, principal development, and real estate management to his Companies' clients. Since inception, the Company has grown to become the largest of its kind in the nation, providing workout and problem resolution, asset management, consulting, receivership, loan and asset sales, development, entitlement and construction management services.

DWC offers a full range of services, ranging from various bankruptcy and court-appointed fiduciary roles, to complete workout strategies for operating companies; as well as hotel, R&D, industrial, retail, office, recreational, agricultural, and residential properties.

- Court-appointed fiduciary for more than 1,200 matters in 35 states with assets valued in excess of \$15 billion over the past 25 years by both state and federal courts.
- Appointed Receiver, Off-Panel Trustee, Special Master, Examiner, Liquidating Trustee, Plan Agent, and Assignee in over 35 U.S. states as well as in Mexico.
- Clients include state and federal courts, U.S. Securities and Exchange Commission (SEC), U.S. Trustee's Office, as well as numerous law firms, special servicers, and financial institutions, such as: Wells Fargo, Credit Suisse, JP Morgan, US Bank, Bank of America, HSBC, Comerica, and TIAA/CREF.

Another range of services the Company offers is development services which provide a full range of financing, planning, construction, and marketing. In addition to its own development projects, the Company provides construction, renovation, planning, and marketing services to a variety of diverse clients.

Mr. Wilson has a successful track record of developing award-winning urban projects. Notable projects include: The Mark, a \$155 million, 33-story, mixed-use development located one block from the San Diego Padres' Petco Park; Parkloft, a \$60 million poured-in-place concrete and brick building with 120 one- and two-story residential lofts located in downtown San Diego's East Village neighborhood; China Basin Landing, a 675,000 square-foot office complex on the San Francisco Bay waterfront, adjacent to the San Francisco Giants' Pacific Bell Park; Half Street, a 400,000 square-foot office building with ground floor retail, located in the Capitol Riverfront District of Washington, D.C.; and the NOAA Facility, a 268,762 square-foot office and research facility located adjacent to the University of Maryland.

Mr. Wilson's professional organization memberships include Urban Land Institute (UDMUC-Blue Council), the National Association of Federal Equity Receivers, the California Receivers Forum and California Bankruptcy Forum of which he has served as president and treasurer, respectively, the International Council of Shopping Centers, and Lambda Alpha land economics fraternity.

Exhibit 2



DOUGLAS WILSON COMPANIES
1620 Fifth Avenue, Suite 400, San Diego, CA 92101
Phone: 619.641.1141 Fax: 619.641.1150
www.douglaswilson.com

Receivership/Workout Business

SCHEDULE OF HOURLY RATES*

Receiver/Executive Management	\$475
Project Managing Director	\$365
Project Director	\$325
Project Associate Director	\$225
Accounting	\$175
Administrative	\$150

REIMBURSABLE COSTS ARE BILLED AT COST**

Bond
Court Filing Service
Notary
Photocopies
Postage
Messenger/Overnight Delivery
Travel, Meals, & Expenses

** Rates for specific personnel may vary slightly from the above based on experience levels but will not exceed these values for the given category of work performed. Hourly rates will increase subject to a 3% annual increase effective January 1 of each year.*

*** Other direct costs we incur in connection with our services, such as outside attorneys, accountants and other professionals, may be reimbursable based on the terms of our agreement.*

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
1920 Main Street, Ste. 1000, Irvine, CA 92614

A TRUE AND CORRECT COPY OF THE FOREGOING DOCUMENT ENTITLED (*SPECIFY*): DECLARATION IN SUPPORT OF EMERGENCY MOTION FOR APPOINTMENT OF TRUSTEE will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) May 20, 2021, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Sean A. O'Keefe; Debtor's Counsel; sokeefe@okeefelc.com
US Trustee (SA); nancy.goldenberg@usdoj.gov

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) May 20, 2021, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Debtor
Syngro, Inc.
590 W. Lambert Rd.
Brea, CA 92821

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) May 20, 2021, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Personal Delivery

Honorable Erithe A. Smith
USBC Central – Santa Ana
411 W. 4th Street, Room 1053
Santa Ana, CA 92701-4516

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

May 20, 2021 Theresa Macaulay
Date Printed Name

/s/ Theresa Macaulay
Signature

2. SERVED BY UNITED STATES MAIL: (continued)

Alameda CA County Recorder
1106 Madison St.
Oakland, CA 94607

American Express
P. O. Box 981535
El Paso, TX 79998

Anthem Blue Cross
P. O. Box 511300
Los Angeles, CA 90051-7855

Bank of Hemet
Attn: Kevin R. Farrenkopf as agent
3715 Sunnyside Dr.
Riverside, CA 92506

Bank of Hemet
Mastercard Card Service Center
P. O. Box 569120
Dallas, TX 75356-9120

El Dorado CA County Recorder
360 Fair Ln.
Placerville, CA 95667

FPT USA Corp.
801 East Campbell Rd., Ste. 525
Richardson, TX 75081

Imperial CA County Recorder
940 Main St.
El Centro, CA 92243

Kern CA County Recorder
1530 Truxtun Ave.
Bakersfield, CA 93301

Sacramento CA County Recorder
600 8th Street
Sacramento, CA 95814

San Benito CA County Recorder
440 5th Street, #108
Hollister, CA 95023

San Joaquin CA County Recorder
44 N. San Joaquin St., Ste. 260
Stockton, CA 95202

Santa Clara CA County Recorder
70 W. Hedding St., 1st Fl.
San Jose, CA 95110

Stanislaus CA County Recorder
1021 I St., Ste. 101
Modesto, CA 95354

Tisdale & Nicholson LLP
2029 Century Park East, Ste. 1040
Los Angeles, CA 90067

Travelers CL Remittance Center
P. O. Box 660317
Dallas, TX 75266-3017

UDig LLC
8000 Franklin Farms Dr., Ste. 2
Henrico, VA 23229

US Small Business Administration
409 3rd St.
Washington, D.C. 20416